

**§ 744.20 License requirements that apply to certain sanctioned entities.**

BIS may impose, as foreign policy controls, export and reexport license requirements and set licensing policy with respect to certain entities that have been sanctioned by the State Department. Such license requirements and policy are in addition to those imposed elsewhere in the EAR. License requirements and licensing policy may be imposed pursuant to this section even when the sanction and the legal authority under which the State Department imposed the sanction do not require or authorize the imposition of any license requirement or licensing policy. License requirements and licensing policy will be imposed pursuant to this section by adding an entity to the Entity List in accordance with paragraphs (a), (b), and (c) of this section.

(a) *General requirement.* Certain entities that have been sanctioned by the State Department are listed in Supplement No. 4 to this part (the Entity List) with a reference to this section. A license is required, to the extent specified on the Entity List, to export or reexport any item to such entities.

(b) *License exceptions.* No license exception may be used to export or reexport to such entities unless specifically authorized on the Entity List.

(c) *Licensing policy.* Applications to export or reexport to such entities will be reviewed according to the licensing policy set forth on the Entity List.

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**§ 744.21 Restrictions on certain military end-uses in the People's Republic of China (PRC).**

(a) *General prohibition.* In addition to the license requirements for items specified on the Commerce Control List (CCL), you may not export, reexport, or transfer any item subject to the EAR listed in Supplement No. 2 to Part 744 to the PRC without a license if, at the time of the export, reexport, or transfer, you know, meaning either:

(1) You have knowledge, as defined in § 772.1 of the EAR, that the item is intended, entirely or in part, for a “military end-use,” as defined in paragraph (f) of this section, in the PRC; or

(2) You have been informed by BIS, as described in paragraph (b) of this section, that the item is or may be intended, entirely or in part, for a “military end-use” in the PRC.

(b) *Additional prohibition on those informed by BIS.* BIS may inform you either individually by specific notice, through amendment to the EAR published in the FEDERAL REGISTER, or through a separate notice published in the FEDERAL REGISTER, that a license is required for specific exports, reexports, or transfers of any item because there is an unacceptable risk of use in or diversion to “military end-use” activities in the PRC. Specific notice will be given only by, or at the direction of, the Deputy Assistant Secretary for Export Administration. When such notice is provided orally, it will be followed by written notice within two working days signed by the Deputy Assistant Secretary for Export Administration or the Deputy Assistant Secretary's designee. The absence of BIS notification does not excuse the exporter from compliance with the license requirements of paragraph (a) of this section.

(c) *License exception.* Despite the prohibitions described in paragraphs (a) and (b) of this section, you may export items subject to the EAR under the provisions of License Exception GOV set forth in §§ 740.11(b)(2)(i) and (ii) of the EAR.

(d) *License application procedure.* When submitting a license application pursuant to this section, you must state in the “additional information” block of the application that “this application is submitted because of the license requirement in § 744.21 of the EAR (Restrictions on Certain Military End-uses in the People's Republic of China).” In addition, either in the additional information block or in an attachment to the application, you must include all known information concerning the military end-use of the item(s). If you submit an attachment with your license application, you must reference the attachment in the “additional information” block of the application.

(e) *License review standards.* (1) Applications to export, reexport, or transfer items described in paragraph (a) of this section will be reviewed on a case-by-